RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 08-0269797 IN WESTBROOK AND WESTBROOK (CLEAR FORK, UPPER) FIELDS, MARTIN AND MITCHELL COUNTIES, TEXAS

FINAL ORDER
APPROVING THE APPLICATION
OF MERIT ENERGY COMPANY
FOR RULE 10 EXCEPTIONS IN
WESTBROOK AND WESTBROOK (CLEAR FORK, UPPER) FIELDS
MARTIN AND MITCHELL COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on April 15, 2011, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

THEREFORE it is **ORDERED** by the Railroad Commission of Texas that the application of Merit Energy Company for exceptions to Statewide Rule 10 for any operator's current and future wells in the Westbrook Field and Westbrook (Clear Fork, Upper) Field is hereby approved. Such commingled production shall be assigned to the Westbrook Field for proration purposes.

Further, acreage assigned to wells on any leases for allocation of allowable shall not be assigned to any other well or wells projected to or completed in the Westbrook Field and Westbrook (Clear Fork, Upper) Field; such duplicate assignment of acreage is not acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

The operator of any well downhole commingled in the Westbrook Field and the Westbrook (Clear Fork, Upper) Field shall file the appropriate completion forms and/or other forms as required by the Commission and shall file at the same time the appropriate Commission required administrative Rule 10 exception downhole commingling fee.

Done this 27th day of June, 2011.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 27, 2011)